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DEPARTMENT FOR EUR/SCE  
BRUSSELS FOR MIKE MOZUR

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TAGS: [PREL](#) [PGOV](#) [HR](#) [BK](#) [SR](#)  
SUBJECT: CROATIA SUPPORTS STABILITY PACT TRANSITION

Classified By: DCM Greg Delawie for reasons 1.4 b and d.

¶1. (C) Summary and Comment: Croatian MFA State Secretary Hidajet Biscevic told Ambassador June 1 that Croatia supports the transformation of the Stability Pact into a regionally-owned organization and believes the U.S. will need to play an active role in the process. The GOC anticipates that a year of talks will be needed to agree on the structure of a new Regional Cooperation Council (RCC). Although confident of the region's European perspective, Biscevic said that reaching agreement on the particularly thorny issue of where such a body would be located and who would lead it will pose a significant challenge and that the RCC might best be established in Brussels initially. Biscevic touched briefly on the Montenegrin referendum, saying that Croatia supports the result and that it is encouraging the government of Serbia to continue its Euro-Atlantic orientation. On Bosnia, he said that the GOC supports the international community's condemnation of talk of a referendum in the Republika Srpska and that Croatia supports the territorial integrity of Bosnia Herzegovina.

¶2. (C) Comment: Croatia very much wants to take a leadership role in the Stability Pact transition, but is yet to give form to its ambitions. The GOC has organized a conference in Dubrovnik July 9-10 that will have high-level regional attendance. Dubrovnik is a good opportunity for a strong U.S. intervention encouraging the region's leaders to act quickly and ambitiously to move this process forward and show NATO and EU members that they are ready to become net contributors to regional stability. End Summary and Comment.

#### Stability Pact Transition

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¶3. (C) Croatian MFA State Secretary Hidajet Biscevic used the opportunity of a June 1 meeting with the Ambassador to brief on the May 30 Stability Pact meeting in Belgrade. Biscevic said that Croatia accepts the proposal from the EU and Stability Pact for a transformation of the Stability Pact into a regionally-owned institution by 2008. Hoping that the region will have what he termed a "clearer architecture of stability" by that time, he said that Croatia believes South East Europe can develop into a normal part of Europe and a net contributor to stability. The GOC foresees a year of dialogue to agree on modalities for the creation of a Regional Cooperation Council (RCC), which would be an instrument of the South East Europe Cooperation Process (SEEC). Characterizing the SEEC as the voice of the region, Biscevic said that the goal through the RCC was for SEE to become a Euro-Atlantic actor.

¶4. (C) Croatia, which currently holds the rotating chair of the SEEC and is making a concerted effort to burnish its Euro-Atlantic credentials, has a strong interest in seeing

these efforts to a successful conclusion. In this vein, Biscevic noted that discussions would have to clear a number of significant hurdles. First among these will be reaching agreement on a suitable figure from the region to serve as the secretary general of the RCC and also agreeing on a location for the secretariat, which Belgrade, Sarajevo and Podgorica all offered to play host to. Biscevic conceded that reaching agreement on these issues might still be beyond the region's grasp and could distract from the larger objective of getting the RCC up and running. To this end, he thought that Brussels might be a better choice initially. The GOC is anxious to bring this process to a successful conclusion during its tenure as SEECP chair, which Biscevic suggested may need to be extended beyond its current term to the end of 2007.

¶5. (C) Biscevic said that Croatia favors aligning both the structures and calendar of the RCC with those of the EU, both as a practical matter, but also as a symbolic message to Europe. At the same time, however, he expressed the concern that other countries in the region could view the RCC only as forum from which to lobby for EU membership, something he feels could backfire. Taking account of the challenges ahead, Biscevic said that U.S. engagement will be the key to making this transition a success and vowed to consult on the process.

#### Serbia, Montenegro

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¶6. (C) Biscevic expressed satisfaction with the outcome of the Montenegrin referendum and said that the GOC had encouraged Belgrade to engage in constructive dialogue with Podgorica to move the process along smoothly. He said that Croatia was encouraging the Serb leadership not to lose its focus at this critical time and to keep the country on its current Euro-Atlantic tack. He thought that this would be particularly important in light of Kosovo status negotiations and said that he had urged his Serb counterparts to remain engaged in the region and not to give in to a defeatist mindset.

#### Bosnia

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¶7. (C) Reacting to recent talk of a secessionist referendum in the Republika Srpska, Biscevic said that the GOC rejects any linkage with regional issues and supports the territorial integrity of BiH. He said that he thought the RS leadership was simply testing the waters in anticipation of a resolution of Kosovo and a view to elections.  
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